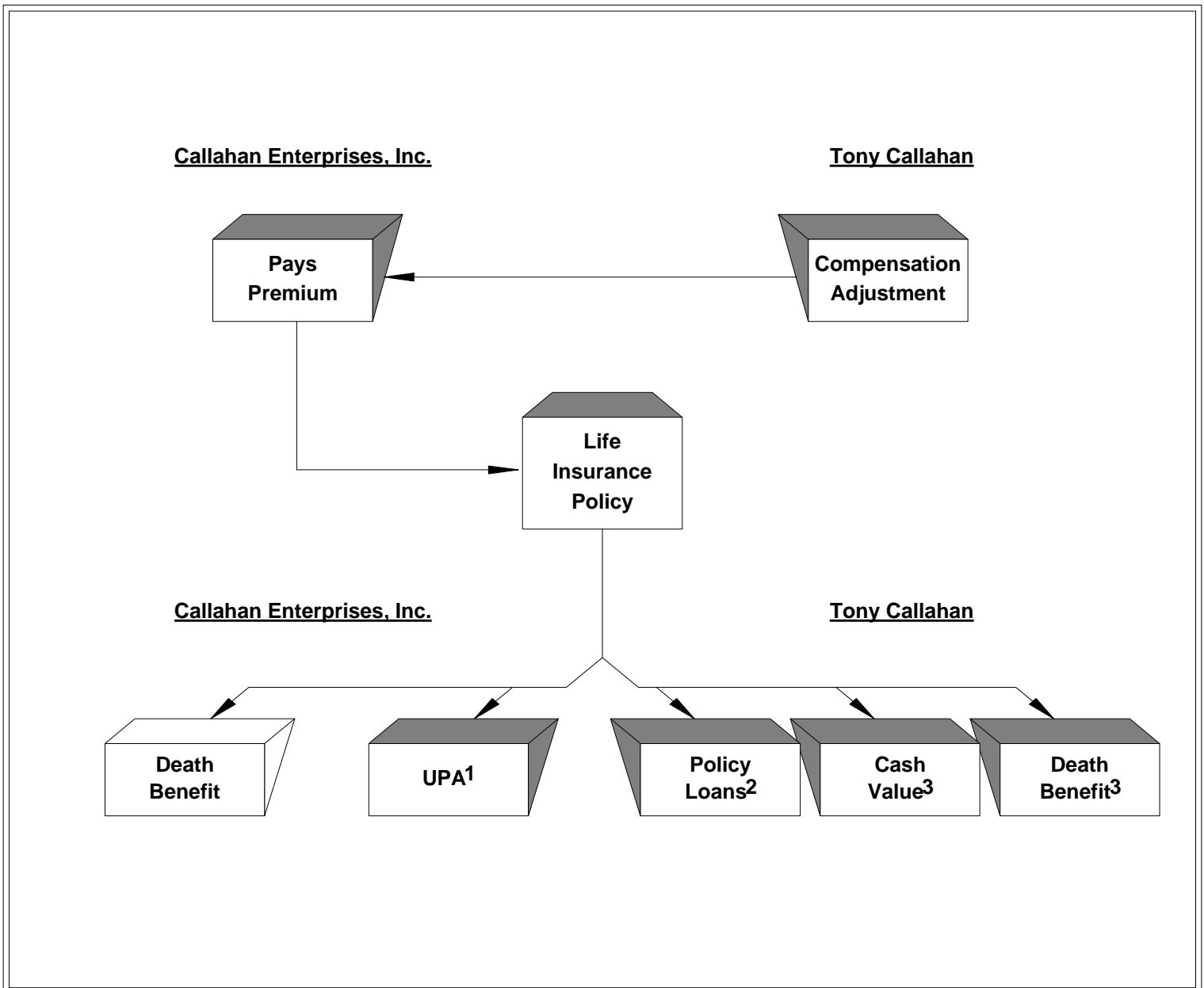


Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000

Insured: Tony Callahan
Callahan Enterprises, Inc.

Flow Chart Analysis



(1) Unearned Premium Account.
(2) For Retirement Income.

(3) After deducting any amounts due the Employer.

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Values Page: 1

Insured: Tony Callahan
Callahan Enterprises, Inc.

	Male Age 45	VUL Interest Rate 10.00%	Initial Payment 100,000	Initial Death Benefit 2,500,000		
	(1)	(2)	(3)	(4)	(5)	
Year	Payment	Net Policy Loan Proceeds	Year End Accum Value*	Year End Cash Value*	Death Benefit	
1	100,000	0	102,683	67,683	2,500,000	
2	100,000	0	215,396	145,396	2,500,000	
3	100,000	0	338,659	264,159	2,500,000	
4	100,000	0	473,511	399,011	2,500,000	
5	100,000	0	621,114	546,614	2,500,000	
6	0	0	672,881	602,106	2,500,000	
7	0	0	729,095	662,790	2,500,000	
8	0	0	790,199	729,109	2,500,000	
9	0	0	856,644	801,514	2,500,000	
10	0	0	928,947	880,522	2,500,000	
11	0	0	1,007,712	966,737	2,500,000	
12	0	0	1,093,609	1,060,829	2,500,000	
13	0	0	1,187,363	1,163,522	2,500,000	
14	0	0	1,289,843	1,275,688	2,500,000	
15	0	0	1,402,028	1,402,028	2,500,000	
16	0	0	1,525,001	1,525,001	2,500,000	
17	0	0	1,660,057	1,660,057	2,500,000	
18	0	0	1,808,668	1,808,668	2,500,000	
19	0	0	1,972,528	1,972,528	2,500,000	
20	0	0	2,153,559	2,153,559	2,627,342	
	500,000	0				

*This is an example of an InsMark "supplemental" illustration for a variable universal life insurance policy. For an actual presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

20 Year Summary

Cum. Payments	500,000
Cum. Loan Proceeds	0
Cash Value	2,153,559
Death Benefit	2,627,342

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Illustration of Values of The Policy Used in the Plan

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Values Page: 2

Insured: Tony Callahan
Callahan Enterprises, Inc.

	Male Age	VUL Interest Rate	Initial Payment	Initial Death Benefit	
	45	10.00%	100,000	2,500,000	
Year	(1) Payment	(2) Net Policy Loan Proceeds	(3) Year End Accum Value*	(4) Year End Cash Value*	(5) Death Benefit
21	0	175,000	2,159,426	2,159,426	2,628,411
22	0	175,000	2,164,734	2,164,734	2,648,638
23	0	175,000	2,169,340	2,169,340	2,666,122
24	0	175,000	2,173,105	2,173,105	2,680,487
25	0	175,000	2,175,857	2,175,857	2,691,303
26	0	175,000	2,177,430	2,177,430	2,698,133
27	0	175,000	2,178,628	2,178,628	2,664,267
28	0	175,000	2,179,718	2,179,718	2,621,445
29	0	175,000	2,181,112	2,181,112	2,569,260
30	0	175,000	2,183,400	2,183,400	2,507,391
31	0	175,000	2,187,416	2,187,416	2,435,648
32	0	175,000	2,189,895	2,189,895	2,455,858
33	0	175,000	2,190,407	2,190,407	2,475,060
34	0	175,000	2,188,441	2,188,441	2,492,778
35	0	175,000	2,183,388	2,183,388	2,508,442
36	0	175,000	2,174,529	2,174,529	2,521,368
37	0	175,000	2,160,997	2,160,997	2,530,721
40	0	175,000	2,081,288	2,081,288	2,526,539
45	0	175,000	1,715,975	1,715,975	2,310,642
50	0	175,000	1,067,559	1,067,559	1,224,888
	500,000	5,250,000			

*This is an example of an InsMark "supplemental" illustration for a variable universal life insurance policy. For an actual presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

50 Year Summary

Cum. Payments	500,000
Cum. Loan Proceeds	5,250,000
Cash Value	1,067,559
Death Benefit	1,224,888

Summary of Costs and Benefits

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Summary Page: 1

Insured: Tony Callahan
Callahan Enterprises, Inc.

Male VUL Initial Years of Split Dollar
Age Interest Rate Death Benefit Death Benefit to Employer
45 10.00% 2,500,000 40

Year	Callahan Enterprises, Inc.				Tony Callahan				
	(1) After Tax Cost of the Plan	(2) Unearned Premium Account	(3) Basic Death Benefit	(4) Total Death Benefit (2) + (3)	(5) After Tax Cost of the Plan	(6) Retirement Income Net Loan Proceeds	(7) Share of Accum Value*	(8) Share of Cash Value*	(9) Share of Policy Death Benefit
1	21,123	98,827	724,056	822,883	53,550	0	3,856	0	1,677,117
2	21,123	197,764	625,119	822,883	53,550	0	17,632	0	1,677,117
3	21,123	296,817	526,066	822,883	53,550	0	41,842	0	1,677,117
4	21,123	396,010	426,873	822,883	53,550	0	77,501	3,001	1,677,117
5	21,123	495,352	327,531	822,883	53,550	0	125,762	51,262	1,677,117
6	0	494,653	328,230	822,883	0	0	178,228	107,453	1,677,117
7	0	493,906	328,977	822,883	0	0	235,189	168,884	1,677,117
8	0	493,101	329,782	822,883	0	0	297,098	236,008	1,677,117
9	0	492,228	330,655	822,883	0	0	364,416	309,286	1,677,117
10	0	491,276	331,607	822,883	0	0	437,671	389,246	1,677,117
11	0	490,235	332,648	822,883	0	0	517,477	476,502	1,677,117
12	0	489,093	333,790	822,883	0	0	604,516	571,736	1,677,117
13	0	487,840	335,043	822,883	0	0	699,523	675,682	1,677,117
14	0	486,464	336,419	822,883	0	0	803,379	789,224	1,677,117
15	0	484,943	337,940	822,883	0	0	917,085	917,085	1,677,117
16	0	483,258	339,625	822,883	0	0	1,041,743	1,041,743	1,677,117
17	0	481,387	341,496	822,883	0	0	1,178,670	1,178,670	1,677,117
18	0	479,301	343,582	822,883	0	0	1,329,367	1,329,367	1,677,117
19	0	477,018	345,865	822,883	0	0	1,495,510	1,495,510	1,677,117
20	0	474,534	348,349	822,883	0	0	1,679,025	1,679,025	1,804,459
	105,615				267,750	0			

*This is an example of an InsMark "supplemental" illustration for a variable universal life insurance policy. For an actual presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

The Unearned Premium Account is scheduled to apply toward premiums for 40 years after which the Employer's interest in the plan ceases.

Summary of Costs and Benefits

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Summary Page: 2

Insured: Tony Callahan
Callahan Enterprises, Inc.

Male VUL Initial Years of Split Dollar
Age Interest Rate Death Benefit Death Benefit to Employer
45 10.00% 2,500,000 40

Year	Callahan Enterprises, Inc.				Tony Callahan				
	(1) After Tax Cost of the Plan	(2) Unearned Premium Account	(3) Basic Death Benefit	(4) Total Death Benefit (2) + (3)	(5) After Tax Cost of the Plan	(6) Retirement Income Net Loan Proceeds	(7) Share of Accum Value*	(8) Share of Cash Value*	(9) Share of Policy Death Benefit
21	0	471,834	351,049	822,883	0	175,000	1,687,592	1,687,592	1,805,528
22	0	468,885	353,998	822,883	0	175,000	1,695,849	1,695,849	1,825,755
23	0	465,677	357,206	822,883	0	175,000	1,703,663	1,703,663	1,843,239
24	0	462,193	360,690	822,883	0	175,000	1,710,912	1,710,912	1,857,604
25	0	458,413	364,470	822,883	0	175,000	1,717,444	1,717,444	1,868,420
26	0	454,303	368,580	822,883	0	175,000	1,723,127	1,723,127	1,875,250
27	0	448,891	373,992	822,883	0	175,000	1,729,737	1,729,737	1,841,384
28	0	441,884	380,999	822,883	0	175,000	1,737,834	1,737,834	1,798,562
29	0	432,947	389,936	822,883	0	175,000	1,748,165	1,748,165	1,746,377
30	0	421,685	401,198	822,883	0	175,000	1,761,715	1,761,715	1,684,508
31	0	407,603	415,280	822,883	0	175,000	1,779,813	1,779,813	1,612,765
32	0	390,282	432,601	822,883	0	175,000	1,799,613	1,799,613	1,632,975
33	0	368,904	453,979	822,883	0	175,000	1,821,503	1,821,503	1,652,177
34	0	342,396	480,487	822,883	0	175,000	1,846,045	1,846,045	1,669,895
35	0	309,356	513,527	822,883	0	175,000	1,874,032	1,874,032	1,685,559
36	0	267,947	554,936	822,883	0	175,000	1,906,582	1,906,582	1,698,485
37	0	218,536	604,347	822,883	0	175,000	1,942,461	1,942,461	1,707,838
40	0	0	822,883	822,883	0	175,000	2,081,288	2,081,288	1,703,656
45	0	0	0	0	0	175,000	1,715,975	1,715,975	2,310,642
50	0	0	0	0	0	175,000	1,067,559	1,067,559	1,224,888
	105,615				267,750	5,250,000			

*This is an example of an InsMark "supplemental" illustration for a variable universal life insurance policy. For an actual presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

The Unearned Premium Account is scheduled to apply toward premiums for 40 years after which the Employer's interest in the plan ceases.

Employer's Cost Analysis

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Employer's Cost Page: 1

Insured: Tony Callahan
Callahan Enterprises, Inc.

Male Employer's
Age Tax Bracket
45 22.25%

Callahan Enterprises, Inc. Cost Analysis

Year	(1) Compensation Adjustment by Executive	(2) Employer's After Tax Gain from Compensation Adjustment	(3) Employer's Split Dollar Premium Share	(4) After Tax Savings from Medicare Tax Reduction*	(5) Employer's After Tax Cost of the Plan (3) - (2) - (4)
1	100,000	77,750	100,000	1,127	21,123
2	100,000	77,750	100,000	1,127	21,123
3	100,000	77,750	100,000	1,127	21,123
4	100,000	77,750	100,000	1,127	21,123
5	100,000	77,750	100,000	1,127	21,123
6	0	0	0	0	0
7	0	0	0	0	0
8	0	0	0	0	0
9	0	0	0	0	0
10	0	0	0	0	0
11	0	0	0	0	0
12	0	0	0	0	0
13	0	0	0	0	0
14	0	0	0	0	0
15	0	0	0	0	0
16	0	0	0	0	0
17	0	0	0	0	0
18	0	0	0	0	0
19	0	0	0	0	0
20	0	0	0	0	0
	500,000	388,750	500,000	5,635	105,615

*(Column 1) x (1.45% Medicare Tax) x (1 - 22.25/100)

Employer's Cost Analysis

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Employer's Cost Page: 2

Insured: Tony Callahan
Callahan Enterprises, Inc.

Male Employer's
Age Tax Bracket
45 22.25%

Callahan Enterprises, Inc. Cost Analysis

Year	(1) Compensation Adjustment by Executive	(2) Employer's After Tax Gain from Compensation Adjustment	(3) Employer's Split Dollar Premium Share	(4) After Tax Savings from Medicare Tax Reduction*	(5) Employer's After Tax Cost of the Plan (3) - (2) - (4)
21	0	0	0	0	0
22	0	0	0	0	0
23	0	0	0	0	0
24	0	0	0	0	0
25	0	0	0	0	0
26	0	0	0	0	0
27	0	0	0	0	0
28	0	0	0	0	0
29	0	0	0	0	0
30	0	0	0	0	0
31	0	0	0	0	0
32	0	0	0	0	0
33	0	0	0	0	0
34	0	0	0	0	0
35	0	0	0	0	0
36	0	0	0	0	0
37	0	0	0	0	0
40	0	0	0	0	0
	500,000	388,750	500,000	5,635	105,615

*(Column 1) x (1.45% Medicare Tax) x (1 - 22.25/100)

Employer's Detail Analysis

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Employer's Detail Page: 1

Insured: Tony Callahan
Callahan Enterprises, Inc.

Male VUL
Age Interest Rate
45 10.00%

Years of Split Dollar
Death Benefit to Employer
40

Year	Callahan Enterprises, Inc. Premium Calculations				Callahan Enterprises, Inc. Values			
	(1) Prepayment to Premium Account	(2) Current Year's Premium Allocation	(3) Balance to Unearned Premium Account	(4) Cumulative Unearned Premium Account	(5) Unearned Premium Account Cash Value	(6) Unearned Premium Account Death Ben.	(7) Basic Death Benefit	(8) Total Death Benefit (6) + (7)
1	100,000	1,173	98,827	98,827	67,683	98,827	724,056	822,883
2	100,000	1,063	98,937	197,764	145,396	197,764	625,119	822,883
3	100,000	947	99,053	296,817	264,159	296,817	526,066	822,883
4	100,000	807	99,193	396,010	396,010	396,010	426,873	822,883
5	100,000	658	99,342	495,352	495,352	495,352	327,531	822,883
6	0	699	-699	494,653	494,653	494,653	328,230	822,883
7	0	747	-747	493,906	493,906	493,906	328,977	822,883
8	0	805	-805	493,101	493,101	493,101	329,782	822,883
9	0	873	-873	492,228	492,228	492,228	330,655	822,883
10	0	952	-952	491,276	491,276	491,276	331,607	822,883
11	0	1,041	-1,041	490,235	490,235	490,235	332,648	822,883
12	0	1,142	-1,142	489,093	489,093	489,093	333,790	822,883
13	0	1,253	-1,253	487,840	487,840	487,840	335,043	822,883
14	0	1,376	-1,376	486,464	486,464	486,464	336,419	822,883
15	0	1,521	-1,521	484,943	484,943	484,943	337,940	822,883
16	0	1,685	-1,685	483,258	483,258	483,258	339,625	822,883
17	0	1,871	-1,871	481,387	481,387	481,387	341,496	822,883
18	0	2,086	-2,086	479,301	479,301	479,301	343,582	822,883
19	0	2,283	-2,283	477,018	477,018	477,018	345,865	822,883
20	0	2,484	-2,484	474,534	474,534	474,534	348,349	822,883
	500,000	25,466	474,534					

*This is an example of an InsMark "supplemental" illustration for a variable universal life insurance policy. For an actual presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Column (2) is the plan's economic benefit in compliance with Rev. Rul. 64-328, Rev. Rul. 66-110 and Rev. Rul. 67-154 (Lowest eligible ART rates utilized.)

Employer's Detail Analysis

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
Date: 09/15/2000
Employer's Detail Page: 2

Insured: Tony Callahan
Callahan Enterprises, Inc.

Male VUL
Age Interest Rate
45 10.00%

Years of Split Dollar
Death Benefit to Employer
40

Year	Callahan Enterprises, Inc. Premium Calculations				Callahan Enterprises, Inc. Values			
	(1) Prepayment to Premium Account	(2) Current Year's Premium Allocation	(3) Balance to Unearned Premium Account	(4) Cumulative Unearned Premium Account	(5) Unearned Premium Account Cash Value	(6) Unearned Premium Account Death Ben.	(7) Basic Death Benefit	(8) Total Death Benefit (6) + (7)
21	0	2,700	-2,700	471,834	471,834	471,834	351,049	822,883
22	0	2,949	-2,949	468,885	468,885	468,885	353,998	822,883
23	0	3,208	-3,208	465,677	465,677	465,677	357,206	822,883
24	0	3,484	-3,484	462,193	462,193	462,193	360,690	822,883
25	0	3,780	-3,780	458,413	458,413	458,413	364,470	822,883
26	0	4,110	-4,110	454,303	454,303	454,303	368,580	822,883
27	0	5,412	-5,412	448,891	448,891	448,891	373,992	822,883
28	0	7,007	-7,007	441,884	441,884	441,884	380,999	822,883
29	0	8,937	-8,937	432,947	432,947	432,947	389,936	822,883
30	0	11,262	-11,262	421,685	421,685	421,685	401,198	822,883
31	0	14,082	-14,082	407,603	407,603	407,603	415,280	822,883
32	0	17,321	-17,321	390,282	390,282	390,282	432,601	822,883
33	0	21,378	-21,378	368,904	368,904	368,904	453,979	822,883
34	0	26,508	-26,508	342,396	342,396	342,396	480,487	822,883
35	0	33,040	-33,040	309,356	309,356	309,356	513,527	822,883
36	0	41,409	-41,409	267,947	267,947	267,947	554,936	822,883
37	0	49,411	-49,411	218,536	218,536	218,536	604,347	822,883
40	0	87,398	-87,398	0	0	0	822,883	822,883
	500,000	500,000	0					

*This is an example of an InsMark "supplemental" illustration for a variable universal life insurance policy. For an actual presentation, this footnote will refer to an accompanying "basic" illustration from a specific life insurance company and a prospectus.

Column (2) is the plan's economic benefit in compliance with Rev. Rul. 64-328, Rev. Rul. 66-110 and Rev. Rul. 67-154 (Lowest eligible ART rates utilized.)

Executive's Cost Analysis

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
 Date: 09/15/2000
 Executive's Cost Page: 1

Insured: Tony Callahan
 Callahan Enterprises, Inc.

Male Executive's
 Age Tax Bracket
 45 45.00%

Tony Callahan Cost Analysis

Year	(1) Compensation Adjustment by Executive	(2) Executive's After Tax Cost of Compensation Adjustment	(3) Executive's Split Dollar Premium Share	(4) Medicare Tax Savings*	(5) Executive's After Tax Cost of the Plan (2) + (3) - (4)
1	100,000	55,000	0	1,450	53,550
2	100,000	55,000	0	1,450	53,550
3	100,000	55,000	0	1,450	53,550
4	100,000	55,000	0	1,450	53,550
5	100,000	55,000	0	1,450	53,550
6	0	0	0	0	0
7	0	0	0	0	0
8	0	0	0	0	0
9	0	0	0	0	0
10	0	0	0	0	0
11	0	0	0	0	0
12	0	0	0	0	0
13	0	0	0	0	0
14	0	0	0	0	0
15	0	0	0	0	0
16	0	0	0	0	0
17	0	0	0	0	0
18	0	0	0	0	0
19	0	0	0	0	0
20	0	0	0	0	0
	500,000	275,000	0	7,250	267,750

*(Column 1) x (1.45% Medicare Tax)

Executive's Cost Analysis

Leveraged Compensation Plan Using Variable Universal Life (VUL)

Presented By: [Licensed user's name appears here]
 Date: 09/15/2000
 Executive's Cost Page: 2

Insured: Tony Callahan
 Callahan Enterprises, Inc.

Male Executive's
 Age Tax Bracket
 45 45.00%

Tony Callahan Cost Analysis

Year	(1) Compensation Adjustment by Executive	(2) Executive's After Tax Cost of Compensation Adjustment	(3) Executive's Split Dollar Premium Share	(4) Medicare Tax Savings*	(5) Executive's After Tax Cost of the Plan (2) + (3) - (4)
21	0	0	0	0	0
22	0	0	0	0	0
23	0	0	0	0	0
24	0	0	0	0	0
25	0	0	0	0	0
26	0	0	0	0	0
27	0	0	0	0	0
28	0	0	0	0	0
29	0	0	0	0	0
30	0	0	0	0	0
31	0	0	0	0	0
32	0	0	0	0	0
33	0	0	0	0	0
34	0	0	0	0	0
35	0	0	0	0	0
36	0	0	0	0	0
37	0	0	0	0	0
40	0	0	0	0	0
45	0	0	0	0	0
50	0	0	0	0	0
	500,000	275,000	0	7,250	267,750

*(Column 1) x (1.45% Medicare Tax)